RECEIVED E-Mail

FEB 0 1 2011

Div. of Oil, Gas & Mining

From:

<laarahan@blm.gov>

To: CC: "Lynn Kunzler" < lynnkunzler@utah.gov> <mnelson@blm.gov>, <sallen@blm.gov>

Date:

2/1/2011 7:43 AM

Subject:

Re: Rosebud Bond Escalation.

Attachments: escalate-01272011.XLS

Lynn, After looking at the attached spreadsheet, I concur with the amount you are requesting for Star Stone's U-77761 (M/003/0026) increase.

I will attach this email and a copy of the spreadsheet to our file.

Please cc me on any correspondence with Star Stone so I can keep our files current.

Let me know if there is anything I can do. Thanks Lynn.

Larry Garahana Geologist BLM, Salt Lake Field Office 801-977-4371 w 801-824-1519 c Larry Garahana@blm.gov

> "Lynn Kunzler" <lynnkunzler@utah</pre>

.gov>

To

01/31/2011 07:06

<Larry Garahana@blm.gov>

PM

"Paul Baker" <paulbaker@utah.gov>

Subject

Rosebud Bond Escalation.

Larry,

It is time to escalate the surety amount for the Rosebud Mine. The attached spreadsheet contains

the Division's escalation of Star Stone's current surety to the year 2015. After your review, if you

concur with this amount please send us a letter or response to this email. We will then make a

formal request to Star Stone to adjust the surety amount.

Thanks.(See attached file: escalate-01272011.XLS)